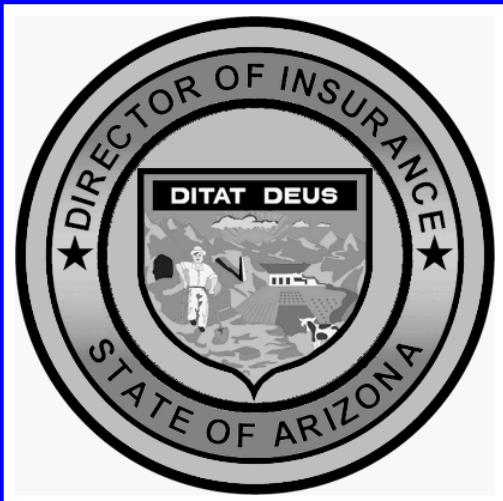


# 2012

## Premium Comparison and Complaint Ratios for Automobile Insurance



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## **INTRODUCTION AND IMPORTANT INFORMATION**

### **Private Passenger Automobile Premium Comparison and Complaint Ratios**

The purpose of this Arizona Department of Insurance (ADOI) publication is to encourage consumers to do some comparison shopping for automobile insurance before making a purchase. The ADOI based the premiums in this publication on hypothetical situations, so as to provide an example of the available premium range among insurers. Although actual premiums may vary according to the particulars of an actual application, the wide premium range shown herein evidences that a competitive market exists and that a consumer, under average circumstances, can save money by comparing one insurers' premiums against another's.

The consumer should evaluate coverage and service, as well as price. The complaint ratios (ratios) provided in this publication include the number of written complaints ADOI received against individual insurers during the twelve-month period ending December 31, 2011 and can assist in the consumer's evaluation process. Please note that the ratios do not reflect the ADOI's determination on the merits of each complaint and, although ratios are informative when compared to one another, the consumer should consider the ratios for a particular insurer in the context of other relevant information about the insurer and its products.

When considering automobile insurance purchases, consumers should bear in mind these "Consumer Awareness Points:"

1. Some automobile policies contain an exclusion (commonly referred to as the "Household," "Family," or "Intra-Family" Exclusion), which limits bodily injury liability coverage available to family members (or residents of the household) injured as a result of the negligence of another insured. Arizona law permits insurers to impose this Exclusion limiting such coverage to \$15,000 per person/\$30,000 per occurrence (Arizona's minimum financial responsibility limits), despite the amount of liability coverage otherwise purchased under the policy. Typically, the Exclusion states:

*We do not provide Liability Coverage for any "insured" for "bodily injury" to you or any "family member" to the extent that the limits of liability for this coverage exceed the limits of liability required by the Arizona Financial Responsibility Law.*

"Family member" and other key words important to this Exclusion are commonly defined in the policy. To ensure that the policy meets their coverage expectations, consumers should ask if the offered policy contains this Exclusion, and, if so, carefully read the Exclusion, together with the entire policy, and consider the option of purchasing additional coverages to assure that family members/household residents are covered for bodily injury to the extent the consumer expects and intends.

2. In determining either eligibility for coverage or price, some insurers:
  - a. Use a person's credit history. "A Consumer Guide To Understanding How Insurers Use Credit Information" is on the ADOI's web site at [www.azinsurance.gov](http://www.azinsurance.gov) and provides answers to the most frequently asked consumer questions on how insurers use credit history to determine individual rates and coverage availability.
  - b. Use reports provided by organizations such as the Comprehensive Loss Underwriting Exchange (C.L.U.E.) as exchanges for loss history information on an insured, or a particular property. Participating member insurers exchange this prior loss history information between members, sometimes without independent verification of the validity of the information provided by other members. Consumers who believe the information on their C.L.U.E. (or similar report) is erroneous should take steps to correct it. Information on C.L.U.E. and how to correct a report may be obtained at the following web site: [www.choicepointinc.com](http://www.choicepointinc.com).
3. Insurers are not permitted to increase the "premium of an insured as a result of an accident not caused or significantly contributed to by the actions of the insured." A.R.S. § 20-263(A).

This publication and the ADOI's "A Consumer Guide To Automobile Insurance" can be useful resources. However, consumers should ultimately consult with an insurance agent or other insurance company representative for details concerning coverage and other purchasing considerations.

Questions or comments regarding this survey or any other insurance matter should be directed to the ADOI by: a) calling (602) 364-2499 (Phoenix) or (1-800) 325-2548 statewide, or b) writing the ADOI, 2910 North 44th Street, Suite 210, Phoenix, Arizona 85018-7269. The ADOI's web site at [www.azinsurance.gov](http://www.azinsurance.gov) contains this and other consumer-oriented insurance publications.

























**AUTOMOBILE INSURERS' TELEPHONE NUMBERS**

<u>INSURER</u>	<u>TELEPHONE NUMBER</u>
AAA Members IC	(866) 298-1232
Access IC	(800) 817-9744
Acuity, A Mutual IC	(800) 242-7666
Allstate F&C IC	(800) 255-7828
Alpha P&C IC	(800) 456-1919
American Access Casualty Co	(888) 663-5443
American Commerce A MAPFRE Co	(888) 442-2242
American Family Mutual IC	(800) 692-6326
American National P&C Co	(602) 327-4282
Amica Mutual IC	(888) 892-6422
Anchor General IC	(800) 542-6246
Arizona Automobile IC	(480) 413-9173
AssuranceAmerica IC	(888) 952-2902
Austin Mutual IC	(800) 328-4628
Badger Mutual IC	(800) 837-7833
Bankers Standard IC	(800) 444-6161
Central Mutual IC	(800) 786-0673
Cincinnati IC	(888) 242-8811
Civil Service Employees IC	(800) 282-6848
Companion P&C IC	(866) 484-2583
Country Preferred IC	(480) 497-5563
Depositors IC	(800) 982-0756
Economy Preferred IC	(800) 638-4663
Electric IC	(800) 227-2757
Encompass P&C Co	(866) 567-3499
Esurance P&C IC	(800) 378-7262
Farm Bureau P&C IC	(480) 635-3600
Farmers IC Of AZ	(800) 327-6377
Fidelity National IC	(800) 849-6140
GEICO Casualty Co	(800) 861-8380
Great Northwest IC	(800) 776-3386
Hallmark IC	(800) 486-5616
Hartford Casualty IC	(800) 423-0567
IDS Property Casualty IC	(800) 842-3344
Infinity IC	(800) 477-5056
Integon Ind Corp	(877) 468-3466
Kemper Independence IC	(877) 252-7878
Key IC	(877) 539-4692
LM Insurance Corp	(800) 837-5254
Mendota IC	(800) 422-0792
Merastar IC	(800) 637-2782
Mercury Casualty Co	(800) 503-3724
Metropolitan Casualty IC	(800) 638-4663
MGA IC, Inc.	(866) 424-6726
Milbank IC	(800) 444-9950
National Surety Corp	(866) 386-3932
Occidental F&C Co of NC	(800) 233-1880
Owners IC	(480) 830-7119
Pacific Ind IC	(623) 445-2500
Pekin IC	(800) 322-0160
Permanent General Assurance Corp	(866) 519-7422
Pharmacists Mutual IC	(800) 247-5930
Primero IC	(800) 925-8185
Progressive Preferred IC	(800) 876-5581
QBE Ins Corp	(800) 333-5553
Safe Auto IC	(800) 723-3286
Safeco IC of America	(800) 472-3326
Safeway IC	(480) 838-0900
Santa Fe Auto IC	(888) 865-4201
Secura Supreme IC	(866) 356-7870
Sentry Insurance, A Mutual Co	(800) 373-6869
Southern IC	(800) 223-6973
State Farm Mutual Auto IC	See Yellow Pages
Teachers IC	(800) 999-1030
Titan Ind Co	(800) 848-2687
Topa IC	(800) 223-6973
Travelers Home and Marine IC	(800) 465-6241
Twin City Fire IC (AARP)	(800) 423-0567
Unigard IC	(800) 456-1626
Union IC of Providence	(800) 432-8422
United Automobile IC	(866) 461-9413
United IC	(602) 393-3334
United Services Auto Assoc **	(800) 531-8111
Universal North America IC	(866) 778-4462
Western General IC	(800) 984-3533
21st Century Advantage IC	(800) 807-9458

*Note: Telephone numbers are subject to change*

*Some numbers may result in the caller being referred to an agent by the insurer.*

*\*\* Primarily available to current, retired and former U.S. military officers and their dependents.*

## **COVERAGES**

The following information describes the nature of certain automobile insurance coverages.

### **Bodily Injury Coverage – Split Limits**

You **must** buy bodily injury coverage. Bodily injury coverage is a type of liability insurance. It pays for medical expenses, lost wages, and pain and suffering that you cause and for which you are legally responsible or liable to others due to an automobile accident.

Bodily injury coverage does **not** pay for **your** medical expenses, lost wages, and pain and suffering from any accident. To pay for your injuries and expenses you may buy medical payments coverage, uninsured motorist coverage, and underinsured motorist coverage.

If you do not have sufficient bodily injury coverage and you cause an accident, a court may order you to compensate those you hurt in the accident. To decide how much bodily injury coverage you should buy, you must decide (1) how much coverage you can afford to buy and (2) how much of your assets you would be willing to lose if you cause a serious accident. You must buy at least the minimum bodily injury liability limits, but you may buy higher limits. The minimum required bodily injury coverage is:

- \$15,000 for the injury or death of one person
- \$30,000 for the injury or death of two or more people in any one accident.

### **Property Damage Coverage – Split Limits**

You **must** buy at least \$10,000 of property damage coverage, but you may purchase higher limits. It pays for the property damage that you cause others and for which you are liable due to an automobile accident. Property damage includes, but is not limited to, damage to buildings or other vehicles or their contents, and damage to fences and road signs.

Property damage coverage does not pay for damage to **your** vehicle. To pay for damages to your vehicle, you may buy comprehensive and collision coverages.

If you do not have any or enough property damage coverage and you cause an accident, a court may order you to pay for the property that you damaged in the accident. To decide how much property damage coverage you should buy, you must decide (1) how much coverage you can afford to buy and (2) how much of your assets you would be willing to lose if the damage you cause is serious.

### **Bodily Injury and Property Damage Coverage – Combined Single Limits**

An insurer may sell a motor vehicle policy that combines coverage for bodily injury and property damage under one liability limit. You must buy at least the minimum liability limit of \$40,000 if you buy combined bodily injury and property damage coverage. You may choose to buy higher limits. For more information on this coverage, please refer to **Bodily Injury Coverage – Split Limits** and **Property Damage Coverage – Split Limits** above.

### **Uninsured Motorist Coverage and Underinsured Motorist Coverage – Optional Coverages**

Insurers must offer uninsured motorist and underinsured motorist coverages. It is your choice whether to buy uninsured motorist or underinsured motorist coverages. Uninsured motorist coverage pays for medical expenses, lost wages, and pain and suffering caused by an uninsured driver, a hit-and-run driver or a miss-and-run driver. Underinsured motorist coverage increases your coverage for medical expenses, lost wages, and pain and suffering caused by a driver who does not have enough insurance to pay for these damages.

## **COVERAGES** **(continued)**

### **Uninsured Motorist Coverage and Underinsured Motorist Coverage – Optional Coverages (continued)**

These coverages protect you, and/or your family members who live with you and passengers in your vehicle. These coverages also protect you and your family members who live with you when, for example, you or they are riding in someone else's vehicle, walking, or riding a bicycle.

Uninsured motorist and underinsured motorist coverages do **not** pay for damages to **your** vehicle or other property. You may buy collision coverage to pay for damage to your vehicle caused by an uninsured or underinsured driver.

Some drivers have no insurance or do not have enough insurance. The best way to protect yourself from damages caused by these drivers is to buy uninsured motorist and underinsured motorist coverages. You may purchase uninsured motorist and underinsured motorist coverages in the same amounts or lower amounts as the limits you selected for your bodily injury liability coverage. You may not buy limits lower than the minimum bodily injury limits required by law.

### **Medical Payments Coverage – Optional Coverage**

It is your choice whether to buy medical payments coverage. It pays for reasonable and necessary medical, hospital or limited funeral expenses for you and others injured or killed while driving or riding in your vehicle, even if you are legally responsible for the accident.

### **Comprehensive and Collision Coverages – Optional Coverages**

State law does not require drivers to have comprehensive and collision coverages. But, if you leased your vehicle or borrowed money to buy a vehicle, you may be required to buy these coverages by the lessor or lender.

Comprehensive coverage pays to repair or replace your insured vehicle due to a loss caused by an event other than a collision. Comprehensive coverage pays for damage from many causes, including, but not limited to, theft, vandalism, fire, water, hail, wind, falling objects or impact with a bird or other animal.

Collision coverage pays to repair, replace or reimburse you for property damage to your insured vehicle. It pays for damage caused by a collision (an impact) with another motor vehicle or with any other object, movable or fixed, including damages caused if your vehicle overturns. Collision pays for damages to your vehicle, even if you are responsible for the collision or an uninsured motorist or an underinsured motorist hits you.

You may buy comprehensive and collision coverages with a deductible option. Your deductible will be the amount you agree to pay from your own pocket before your insurer will pay for any damage. You may also choose comprehensive and collision coverages with different deductible amounts for each vehicle covered by your policy.

To decide if you should buy comprehensive and collision coverages, consider the value of your vehicle and how you would pay to repair your vehicle without these coverages.

**Be sure to ask about premium savings available for different deductibles when purchasing or renewing auto insurance, but remember you only collect for losses in excess of the deductible.**

### **Miscellaneous Note:**

**Please note the following when changing insurers. Under Arizona law, there is a sixty-day period during which the insurance can be cancelled by the new insurer for any reason except the location of residence, age, race, color, religion, sex, national origin or ancestry of anyone who is an insured.**

## NOTES TO THE HYPOTHETICALS

Insurers not writing a \$5,000 Medical Payments coverage limit quoted the next closest limit available.

Insurers not writing \$250/\$500 deductibles quoted the next closest deductibles available.

An insurance company group with multiple insurers may choose one insurer to provide the quotation. Rates vary between insurers and groups of insurers based on various underwriting information of the applicant and the household drivers.

All premiums contained in this publication were provided by the listed insurers using rates in effect as of March 1, 2012 and are ranked according to Phoenix.

***The driver's marital status and gender, after a certain age, are not even considered by many insurers for the purpose of determining the driver's premium. However, at some point, age (e.g. age 70, etc.) may become an even more important factor than previously.***

## ABBREVIATIONS USED IN THIS PUBLICATION

"Assoc" means "Association"  
"BI" means "Bodily Injury"  
"Co" means "Company"  
"Corp" means "Corporation"  
"F&C" means "Fire and Casualty"  
"IC" means "Insurance Company"  
"Ind" means "Indemnity"  
"Ins" means "Insurance"  
"P&C" means "Property & Casualty"  
"PD" means "Property Damage"  
"UM" means "Uninsured Motorists"  
"UIM" means "Underinsured Motorists"

## IMPORTANT NOTE REGARDING COMPLAINT RATIOS IN THIS PUBLICATION

Although the Arizona Department of Insurance receives many complaints against insurers each year, ***not every complaint received by the Department proves to be justified upon investigation.*** The ratios published in this pamphlet represent the number of written complaints regarding automobile insurance received by the Department during 2011 for each 1,000 exposures an insurer has in force. The word "Exposures" refers to the total number of covered vehicles.

The Department obtains exposure figures from each insurer. In publishing the information in this pamphlet, the Department makes no distinction between insurers that write preferred, standard, or non-standard business.

This publication may be obtained by contacting us at the numbers listed on page 1 of this publication or via our website address. In addition to using this brochure to comparison shop for insurance, consumers should consider the insurer's service to policyholders and the type of insurance contract and coverage available. The Department strongly recommends that consumers consult their professional insurance agents or producers about coverage details. **The Department's Consumer Affairs Division may be contacted at (602) 364-2499 or (1-800) 325-2548 if a consumer has difficulty finding coverage.**

**NOTE: Due to space restrictions, not all insurers writing private passenger auto business are included in this publication.**

***The Arizona Department of Insurance is an Equal Employment Opportunity agency that complies with the Americans with Disabilities Act (ADA) and the Arizonans with Disabilities Act. Persons with disabilities may request materials in an alternative format by contacting our ADA Coordinator at (602) 364-3100 and should do so as early as possible to allow reasonable time to make necessary arrangements.***